

ARLINGTON FINANCE COMMITTEE  
MINUTES OF MEETING  
O'NEAL ROOM  
3/16/15

ATTENDEES:

Deyst*	White*	Caccavaro*	Kellar*	McKenna*
DeCoursey*	Wallach*	Simmons*	Gibian*	
Tosti*	Foskett*	Bayer*	Duvadie*	
Kardon*	Beck*	Jones*	Deshler*	
Franclemont*	Howard*	Fanning*	Carman*	Turkall*

VISITORS: Capital Planning Committee members Diane Johnson, Michael Morse, Brian Rehrig, Barbara Thornton, Anthony Lionetta, Andrew Flanagan; Laura Cheeson,

MINUTES of 3/9 approved as corrected. Unanimous

MINUTES of 3/11 approved as corrected. Unanimous

ART 24 CAPITAL BUDGET: Foskett introduced the CPC members and reviewed the function of the CPC using P1-8 of Ref 1. Flanagan (P 9-11) reviewed the recent & ongoing capital projects and explained how the 5% of budget goal is realized. Rehrig, using P 13-15, reviewed the Community Safety Bldg renovation with the final phase construction to begin in FY16. He also discussed planned Police & Fire appropriations. Rehrig explained (P16) how the CPC is planning for CPA expenditures in FY17 by earmarking projects now in the Capital Plan that could become CPA projects. None of these projects has been deleted from the Capital Plan. Flanagan (P 17) reviewed the Town's use of bond premiums. He also discussed the new parking meter plans (P 18) and the rink enterprise fund growth to pay for rink debt (P 19). Flanagan showed cash flow history for the 8 town-owned rental properties (P 20). He noted (P 21) that for the first time tax revenue from Symmes exceeds the cost of debt service. Thornton reported on her tracking of the Master Plan development (P 18). She also reported on the work of the Maintenance Committee (P 23) for which she was a leading advocate. Lionetta reported on Parks & Recreation, Public Works and Minuteman Tech (P 24-29). He had served on the Minuteman building committee. He showed the effect of non-district participation in capital payments. Johnson reviewed the AHS renovation planning process (P 30). She also discussed the costs of providing computers for education (P 31) and funding the Stratton School renovation (P 32-34). Flanagan detailed the funding plan for Stratton (P 35) and discussed rescinding the prior debt authorizations (P 36). Foskett ended the presentation with recommending a vote on the bottom lines with details & perhaps small changes to be requested later.

VOTED \$18,221,206. Unanimous.

ART 42 CEMETERY: VOTED to transfer \$160k from the Lots & Graves and Perpetual Care funds, \$150k to the Cemetery Commission and \$10k to the Capital Budget for headstone maintenance. Unanimous.

VOTED to allow the Chair to adjust the recommended appropriation to the Long Term Stabilization Fund as need if the House Ways & Means budget makes changes in the Governor's budget that affect Arlington. Unanimous.

BUD FACILITIES DEPARTMENT PubWksSubCom(Deshler) recommended the budget as printed. VOTED \$395,615. Unanimous.

COMMITTEE: 12 of 22 members have completed conflict-of-interest training. Deadline is in April.

RESERVE FUND: \$715,005

Peter Howard 3/17/15. Revised 3/18/15

Ref 1 CPC Presentation to FinCom

# Capital Planning Committee

## Capital Budget FY 2016

## Capital Plan FY2016 - FY2020

A Presentation To  
The Arlington Finance Committee  
March 16, 2015



# Capital Planning Committee Attendees

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- Andrew Flanagan
- Charlie Foskett
- Diane Johnson
- Tony Lionetta
- Michael Morse
- Brian Rehrig
- Barbara Thornton

# Agenda

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- Committee Members
- Organization
- Program Accomplishments
- Budget Summary
- Significant Issues
- Recommended Budget and Actions

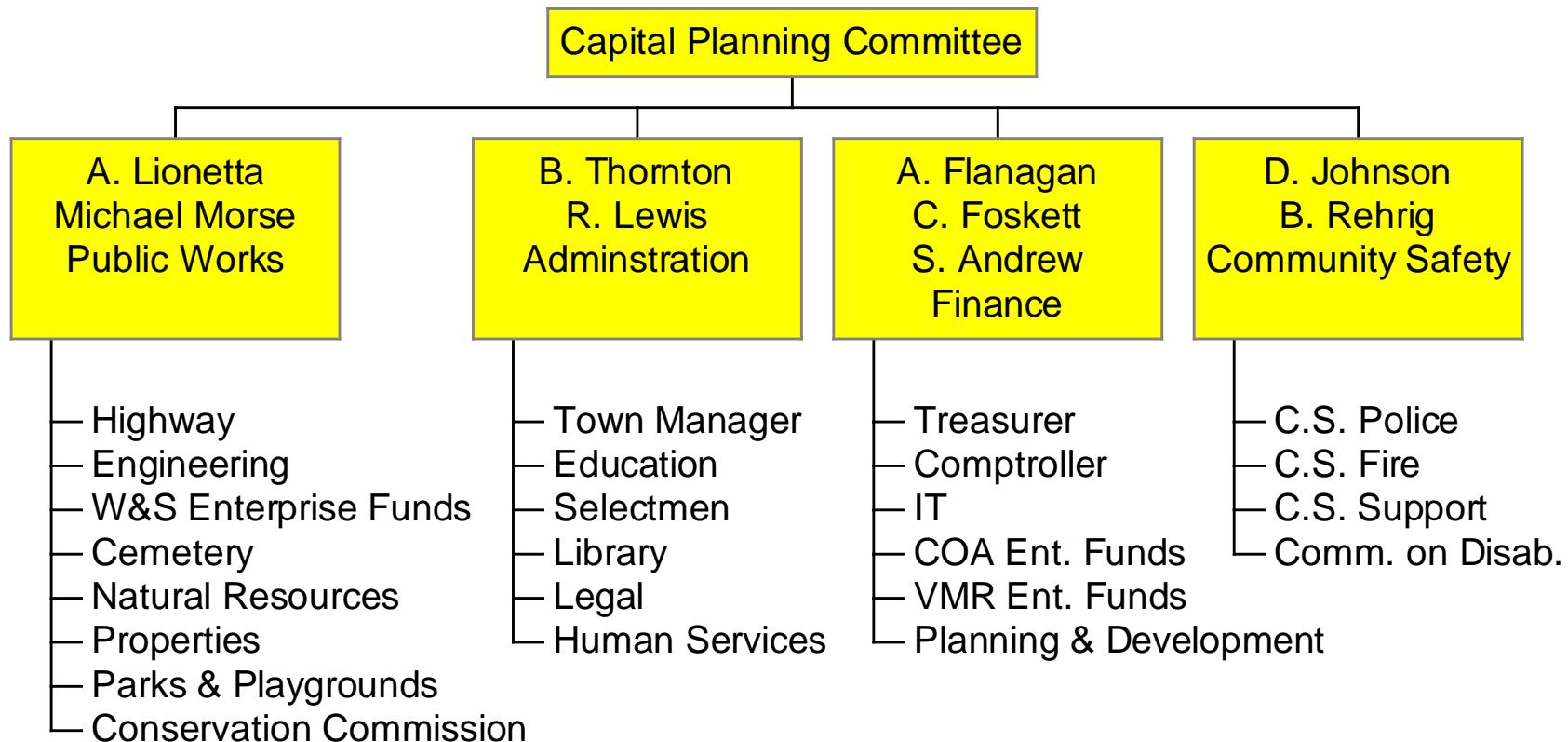
# Committee Membership

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- Steve Andrew - Citizen Appointee
- Charlie Foskett - Chairman, FinCom Designee
- Andrew Flanagan – Deputy Town Manager
- Diane Johnson - School Department Designee
- Ruth Lewis - Comptroller
- Anthony Lionetta – Secretary, Citizen Appointee
- Michael Morse – Treasurer Designee
- Brian Rehrig – Vice Chairman, Citizen Appointee
- Barbara Thornton - Citizen Appointee

# Committee Organization 2014-2015

## Capital Planning Committee Organization



# Discussion: Budgets and Issues

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- Capital Planning
  - Rationale, policy and practice
  - Five Year Plan
- Comparisons
  - Five Year Plan versus FinCom guidelines
  - Plan “Reserves”
- Major Issues
- Budget and Plan Detail

# Why Capital Planning

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- Capital Planning sets and meets long-range expectations for current and future capital expenditures.
- Capital Planning sets and meets expectations for Town executives and management, the Finance Committee, Town Meeting and citizens.
- Successful Capital Planning reduces or eliminates uncertainty in the acquisition of capital assets.
- Successful Capital Planning facilitates postponing some capital expenditures in favor of others as part of the planning process.
- Successful Capital Planning gives Town Meeting and voters comfort while spending large sums of taxpayers' money.

# Arlington Capital Planning Practice

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- Plan Five Years out with rolling request plan.
- Adjust non-exempt spending to within 5% of revenue budget.
- Attempt to *forecast future* budgets to effectively plan capital expenditures.
- We have twenty-nine years of *successful* capital planning, within budget.
- The requests from Town and School side are made with their knowledge of operating pressures.
- CPC strongly recommends sticking with FinCom 5% guideline policy.

# Program Progress

- **Some recent realized benefits from Capital Plan Projects:**
  - Completion of Phase 2 of the Community Safety Building Project
  - ARB's adoption of Master Plan
  - Various Roadways and Sidewalks
  - Water Improvements
  - Sewer Improvements
  - Completed design and construction of North Union Spray Park
  - Completed design and construction Hibbert Playground
- **Capital Projects in process**
  - Final stages of Central Fire Station Renovation
  - Ongoing Water Improvements
  - Ongoing Sewer Improvements
  - Ongoing Roadway and Sidewalk Improvements
  - Various Public Works Rolling Stock
  - Planning phase of Comprehensive Gateway Initiative
  - Design phase of Phase 3 of Community Safety Building project
  - Planning phase of town wide VOIP Project
  - Completed design and preparing to begin construction of Spy Pond Tennis Courts

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# Reconciliation to Town Five Year Plan

Year	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Total Town Budget</b>	\$140,935,623	\$143,815,719	\$148,357,273	\$154,407,844	\$160,534,064
Adjust for Water Sewer	(\$5,593,112)	(\$5,593,112)	(\$5,593,112)	(\$5,593,112)	(\$5,593,112)
Adjust for Exempt Debt Service	(\$2,635,325)	(\$2,524,723)	(\$2,424,742)	(\$1,396,516)	(\$1,335,235)
Adjust for Free Cash Reserve					
Adjust for Enterprise Funds	(\$2,138,041)	(\$2,202,182)	(\$2,268,248)	(\$2,336,295)	(\$2,406,384)
<b>Adjusted Total Town Budget</b>	\$130,569,145	\$133,495,702	\$138,071,171	\$145,081,921	\$151,199,333

- As of 1/15/2015 - Five Year Plan is a dynamic document

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# Five Year Plan and FinCom Guidelines

Fiscal Year	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Total
Prior Non-Exempt Debt	6,552,287	5,840,389	4,508,096	3,832,234	3,204,224	23,937,230
Cash	\$1,426,356	\$1,460,725	\$1,250,963	\$1,365,277	\$1,517,278	\$7,020,599
New Non-Exempt Debt Service	\$218,600	\$1,008,627	\$1,536,809	\$3,088,824	\$3,789,797	\$9,642,658
Water Sewer Bonds						
<b>Total Non-Exempt Tax Burden</b>	<b>\$8,197,243</b>	<b>\$8,309,741</b>	<b>\$7,295,868</b>	<b>\$8,286,335</b>	<b>\$8,511,299</b>	<b>\$40,600,487</b>
Adjust for Rink Enterprise Funds	(\$83,000)	(\$83,000)	(\$83,000)	(\$83,000)	(\$83,000)	(\$415,000)
Adjust for Ambulance Revolving	(\$51,506)	(\$50,250)	(\$48,956)	(\$47,625)	(\$41,350)	(\$239,687)
Adjust for Roadway Reconstruction O/R 2011	(\$430,756)	(\$441,525)	(\$452,563)	(\$463,877)	(\$475,474)	(\$2,264,196)
Capital Carry Forward	(\$120,000)	(\$125,000)		(\$50,000)	(\$50,000)	(\$345,000)
Antennae Funds	(\$326,000)	(\$200,000)		(\$150,000)	(\$50,000)	(\$726,000)
Urban Renewal Fund - Central School/Jefferson Cutter/23 Maple St	(\$20,962)	(\$62,682)	(\$61,177)	(\$59,493)	(\$57,808)	(\$262,122)
Adjust for Ottoson	(\$436,717)	(\$436,717)				(\$873,434)
Adjust for 2014 Bond Premium	(\$200,160)	(\$200,160)	(\$200,160)	(\$200,160)	(\$200,160)	(\$1,000,800)
<b>Net Non-Exempt Plan</b>	<b>\$6,528,142</b>	<b>\$6,710,407</b>	<b>\$6,450,011</b>	<b>\$7,232,180</b>	<b>\$7,553,507</b>	<b>\$34,474,248</b>
<b>Pro Forma Budget</b>	<b>\$130,569,145</b>	<b>\$133,495,702</b>	<b>\$138,071,171</b>	<b>\$145,081,921</b>	<b>\$151,199,333</b>	<b>\$698,417,272</b>
<b>Budget For Plan at 5%</b>	<b>\$6,528,457</b>	<b>\$6,674,785</b>	<b>\$6,903,559</b>	<b>\$7,254,096</b>	<b>\$7,559,967</b>	<b>\$34,920,864</b>
<b>Plan as % of Revenues</b>	<b>5.00%</b>	<b>5.03%</b>	<b>4.67%</b>	<b>4.98%</b>	<b>5.00%</b>	<b>4.94%</b>
<b>Variance From Budget</b>	<b>\$315</b>	<b>(\$35,622)</b>	<b>\$453,547</b>	<b>\$21,916</b>	<b>\$6,460</b>	<b>\$446,616</b>

# Topics

- Community Safety
  - Police Community Building
  - Central Fire Station
- Recognizing the Community Preservation Act
- Bond Premium Strategy
- Stratton School Funding
- School Department Computers
- Planning for Building Projects
  - High School
  - Minuteman High School
  - DPW Campus Plan & Renovations
  - Civic Block (incl. Senior Center) Plan & Renovations

# Community Safety Building Renovation

- Originally planned as a Five-Phase project:
  - I Plaza renovation (*completed 2011*)
  - II Building Envelope (*completed 2014*)
  - III Interview Area, Cellblock and Building Systems
  - IV Interior 2nd Floor offices
  - V Community Room and Administrative Offices
- Building Envelope phase stretched a year over schedule to address unforeseen and challenging conditions. Successfully completed in 2014. Possibly the only building in New England without leaks this winter.
- Phases III through V consolidated to reduce mobilization costs and repeated disruption to Police personnel and operations. Budgeted at \$483,500 design and engineering in FY2015 and \$7,646,707 construction in FY2016.
- Project to be bid shortly and awarded after Town Meeting.
- Total 8-year investment in Community Safety Building of \$13 million.

# Community Safety – Police

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- Ongoing renewal of cruiser fleet in three-year cycle, and annual replacement program for LIDAR/RADAR units and body armor
- Upgrade of Evidence Processing Lab, restoration of Firing Range and updating of CCTV and Building Security System all folded into building renovation.
- Full replacement of portable radios at recommended 12-year life cycle in FY2020. Potential implementation by that time of new federal public safety broadband network may affect standards and costs.
- New K-9 officer born and undergoing training

# Community Safety – Fire

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- Central Station interior renovation project holding to contingency budget and within a few weeks of schedule despite structural issues encountered with apparatus floor slab. Completion expected in July.
- Total 4-year investment in Central Station of \$8 million
- Tower unit to replace 1994 ladder truck requested for FY2017 at \$1.1 million
- Pumper replacement scheduled for FY2018 at \$600k
- Full portable radio system replacement aligned with Police in FY2020

# Community Preservation Act

- Voters accepted the Community Preservation Act (CPA), a 1.5% surcharge on property taxes less certain abatements and exclusions
- CPA-eligible projects include Affordable Housing, Historic Preservation, Open Space and Outdoor Recreation
- Some historic preservation and recreation projects proposed for the Capital Budget and Plan in non-exempt tax revenues may now be funded by exempt CPA revenues, if the Community Preservation Committee (to be formed by 2015 Town Meeting) so recommends and a future Town Meeting approves
- The CPC is segregating most of these future expenditures in a new funding category “CPA” for consideration by the Community Preservation Committee.
- CPC remains committed to considering these projects in the capital plan if CPA funding is unavailable. Critically required expenditures in this category for FY 2016 are funded in the CPC proposed budget.
- This segregation of CPA eligible projects facilitates the Town’s financing of the Stratton School Project.

# Bond Premium Strategy

- **Bond Premium defined:** One time payment to offset higher interest costs associated with borrowing
- Proceeds from a Bond Premium must be returned to the General Fund
- **Town's Policy:**
  - Return funds to the General Fund
  - Provide Relief to Capital Plan
  - Not require an appropriation from Free Cash – maintain commitments of Long Range Plan
- **Implementation of Bond Premium Policy:**
  - Town borrows full amount needed to fund projects and equipment within Capital Budget
  - Application of “Non-Cash Offset” to bottom line of Capital Budget & Plan. Amount fixed based on total amount of bond premium
  - Town Comptroller releases an amount equal to the “Non-Cash Offset” from the Bond Premium account to the General Fund in each year it is used to offset the Capital Budget
  - Plan supported by Town Manager, Comptroller, Treasurer and DOR

# Planning & Community Development

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## Review of Ongoing Projects

- Long Range Master Plan
  - Draft Master Plan is under review in community and will go to Town Meeting in April
  - CPC has designated Barbara Thornton to track, comment and report
  - CPC primary concern is that the Master Plan encourage long term fiscal stability for the Town
    - Focus on greater revenue generation in designated areas.
    - Focus on updating land use regulatory tools, including zoning
- Parking Study for Arlington Center
  - Board of Selectmen adopted new parking management regulations for Arlington Center
    - Replacement of kiosks in lots
    - Installation of on street metering
    - Formation of Parking Governance Committee
    - Proceeds from metering revenue used to hold general fund harmless, fund the acquisition and operation of meters and improvements to center district
- Projects in these areas are not yet in the Capital Plan

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# Ed Burns Arena

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Existing Rink Debt</b>	135,556.26	132,431.26	129,056.26	125,431.26	121,681.26
New Rink Debt - Electrical (FY 2016)	24,269.00	24,269.00	24,269.00	24,269.00	24,269.00
New Rink Debt -Locker Rooms (FY2018- Not currently included in CIP)			96,193.00	96,193.00	96,193.00
<b>Total Debt Service</b>	159,825.26	156,700.26	249,518.26	245,893.26	242,143.26
Current Rink Offset \$45 per hour	(83,000.00)	(83,000.00)	(83,000.00)	(83,000.00)	(83,000.00)
\$15 per hour increase (FY17)		(27,750.00)	(27,750.00)	(27,750.00)	(27,750.00)
\$15 per hour increase (FY18)			(27,750.00)	(27,750.00)	(27,750.00)
<b>Total Rink/Enterprise Offset</b>	(83,000.00)	(110,750.00)	(138,500.00)	(138,500.00)	(138,500.00)
<b>Rink Contribution to Total Rink (Non-Exempt) Debt Service</b>	<b>51.93%</b>	<b>70.67%</b>	<b>55.50%</b>	<b>56.30%</b>	<b>57.19%</b>

- Enterprise Fund maintains commitment to offset debt service costs by at least 50%
- Plan based on incremental increases to rental rates

# Town Owned Buildings

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- Town owns and operates 8 buildings as rental properties
- Urban Renewal Fund – consists of 3 buildings \*Current Fund Balance \$290,568.41
  - Central School – Various leases
  - 23 Maple Street – Tenant-at-will (lease in negotiation)
  - Jefferson Cutter House – No lease
- Gibbs School – current leases expire June 30, 2017 \*Includes Tenant Capital Contribution
- Parmenter School – current leases expire June 30, 2019 \* Includes Tenant Capital Contribution
- Dallin Library – lease currently expired (beginning negotiation)
- Ryder Street – current lease expires June 30, 2015
- Mt. Gilboa House – current lease expires May 31, 2015
- All buildings projected to show positive cash flow

Town Owned Buildings Profit/Loss (With Debt)					
	FY2011	FY2012	FY2013	FY2014	FY2015 (YTD)
Urban Renewal	\$35,537.10	\$85,840.27	\$40,169.71	\$37,165.04	\$27,267.47
Gibbs School	(\$50,926.98)	\$24,069.55	\$15,105.96	\$34,562.08	\$18,636.86
Parmenter School	\$168,524.59	\$156,293.77	\$154,231.38	\$159,718.93	\$113,752.47
Dallin Library	\$45,116.04	\$45,116.04	\$45,116.04	\$45,116.04	(\$5,702.64)
Ryder Street	\$93,282.53	\$112,003.64	\$122,387.00	\$109,383.00	\$60,707.00
Mt. Gilboa	\$17,924.00	\$17,392.72	\$6,702.00	\$1,592.01	\$13,946.01
<b>TOTAL</b>	<b>\$309,457.28</b>	<b>\$440,715.99</b>	<b>\$383,712.09</b>	<b>\$387,537.10</b>	<b>\$228,607.17</b>

# Symmes Status

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- 100% Condos sold as of August 2014
- 90% of rental units have been leased
- Rental Units are currently available
- FY 2015 tax revenue
  - Arlington 360/Symmes - \$909,823
  - Brightview Assisted Living – \$162,639
  - Total FY 2015 Tax Revenue - \$1,072,462
- Bond Retirement – FY 2022
  - FY 2016 Debt Service - \$674,675
- No longer a need to raise revenue on the tax rate to offset debt service costs.

# Civic Block Campus Planning

- **Civic Block**, including Town Hall, Central School, 23 Maple St., Library, Whittemore Robbins House, Carriage House, Cottage and Winfield Robbins Memorial Garden, forms an important “town center” identity for Arlington
- Viewed as a “**campus**” the properties housing HHS programs need a long range perspective on determining use and cost priorities examining possibilities for:
  - ✓ Off-setting other space needs?
  - ✓ Generating revenue?
  - ✓ Maintaining physical assets?
- **Whittemore Robbins House**, Carriage House, Cottage need long range plan
- **Senior Center** needs Space Utilization Study & Long Range Plan for Central School
  - ✓ Fix circulation and bathroom access problems
  - ✓ Space for programs to attract younger “seniors”
- **Central School** needs long range plan

*FY2016 HHS requests for over \$750K brought attention to Campus issues of deferred planning*

# Maintenance Committee Update

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- The Maintenance Committee was created by the Board of Selectmen in FY2012 after over 8 years of discussion.
- Capital Planning Committee is pleased with progress
  - Facilities Maintenance Committee's work
  - New Department, Department Head and Budget proposed
- CPC Expects this FMD to fill major gap in the Town's ability to manage and preserve for continuing public use the capital assets invested in by the Town

# Parks & Recreation

## Review Prior Year Projects

- ADA Evaluation/Playground Safety Inspection (37 sites) > Completed
- Spy Pond Tennis Courts (\$467,500) > Currently out to bid/Construction 2015
- Hibbert Street Playground > 95% Construction Competed > punch list
- North Union Spray Park > 95% Construction Completed > punch list
- Dallin Playground > Construction Completed
- Magnolia Field Basketball Court (\$75k) See Next slide



# Parks & Recreation

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## This Year's Projects

- Magnolia Field Playground (\$455,000 combined w/ Basketball Court (\$75,000)
- Gibbs Gym Dividing Wall (\$50k)
- \$50k to start implementing ADA Study Recommendations
- Passenger Van (\$25K) via revolving fund
- Buck Field Safety Fencing (\$45)

Note: Concern over Maintenance Funds (now thru DPW)

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# Public Works

## Review Prior Year Items

- FEMA Grant for Mill Brook, 25% Town Match required (\$100k FY14, \$125k FY15, \$300k FY16) *Town notified getting Grant*
- Town Yard Reno (\$700k FY 2017 Design/\$8M in FY2019)
- Sidewalk Ramp Program continues

## This Year's Requests

- DPW Bldg. C Roof Repairs (\$300k) Spanish style roof plus flat roof
- Incremental Town Hall Reno (\$100k/yr. totaling \$1M)
  - This year Roof and Surface Repair
- Chapel Reno >> Building Preservation Only (\$175k)
- Westminster Ave Wall Replacement (\$99K)
- Snow Fighters (\$160k)> all 5 to be replaced by FY2020 (25 yrs.)

Spy Pond Bleachers \$800k + ADA >> needs discussion

# Minuteman High School

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- MSBA Granted Extension
- Now Sizing for 628 Students rather than 800 or 435
- Planned Schedule
  - 5/2015 School Committee votes on preferred option
  - 7/2015 MSBA Selects Option
  - Spring 2016 Town Meetings Vote
  - 2016-2017 Contract Documents
  - 2018 Construction Begins
- MSBA Reimbursement @ 40% (but exclusive of non eligible costs)
- Arlington - about 35% of In-District Enrollment
- In-District < 60% of Total Enrollment
- In-District funding Out-of-District Capital Cost > Inflated Share

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# Minuteman Costs

(from 2/24/15 Draft Report)

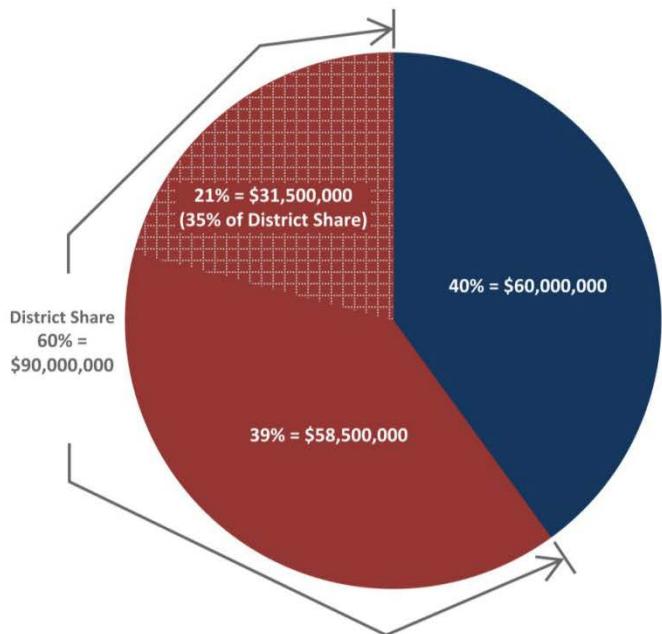
	Total Cost	District Share	Project Duration
<b>Option #1 – Renovation</b>	<b>\$176.5 million</b>	<b>\$105.9 million</b>	<b>5 years</b>
<b>Option #2 – Renovation/Addition</b>	<b>\$175.3 million</b>	<b>\$105.2 million</b>	<b>4 years</b>
<b>Option #3 – New School with Demolition of Existing Building</b>	<b>\$144.9 million</b>	<b>\$86.9 million</b>	<b>2.75 years</b>
<b>Option #4 – Repairs Only with Partial Educational Program Improvements</b>	<b>*\$198.4 million</b>	<b>*\$198.4 million</b>	<b>10 years</b>
<b>Option #5 – Repairs Only with No Educational Program Improvements</b>	<b>*\$100.4 million</b>	<b>*\$100.4 million</b>	<b>10 years</b>

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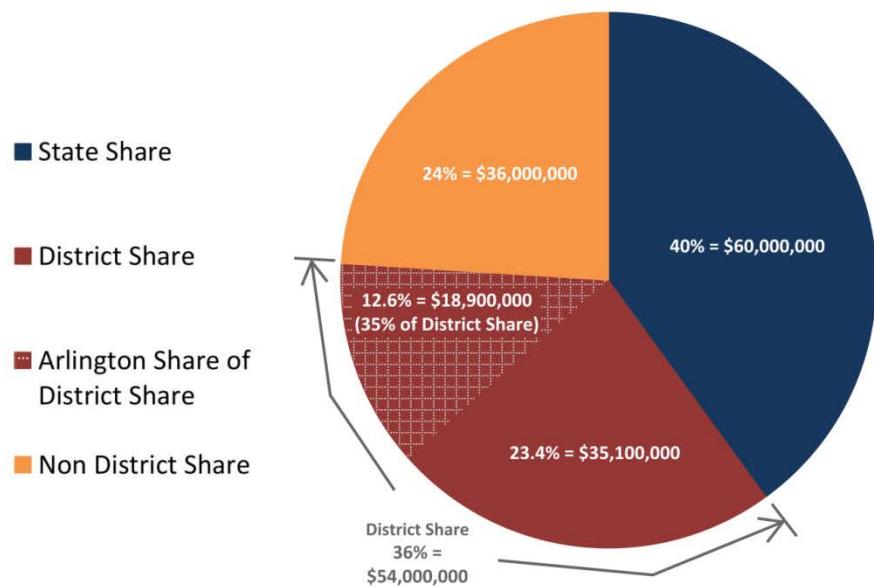
These estimates have been adjusted by the School Building Committee to include expected engineering, design, bidding, and project oversight costs. They do not include likely cost escalation due to extended project duration.

# Minuteman High School

State & District Participation Only



State, District & Out of District Participation



Note:

1. Based on an overall budget of \$150,000,000.
2. Assume all costs are eligible for State participation.
3. Numbers have been extracted from various info and are approximate.
4. This is not an official MM presentation.

# Arlington High School

- Resubmitting Statement of Interest (SOI) in April
- 1993 Strekalovsky and Hoit study called for renovation of High School after 2000
- Last renovation completed in 1983
- Onsite/Insight Study identified \$35 million of infrastructure issues
- Fundamental questions of facilities use (e.g. administration)
- Impact of growing student population
- Academic accreditation threatened
- Infrastructure and programmatic changes could well exceed \$100 million or more according to HMFH architects 2014 study
- Winchester HS is currently running at \$130 million for a smaller requirement
- Competing projects: Minuteman, DPW, future override

# School Computer Acquisitions

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- 90% of assistive technology for special education students is five years or older.
- 80% of devices at AHS and OMS students are five years or older, operating systems no longer supported.
- Students need access to technology in order to prepare for the online assessments – MCAS replacement, ACCESS testing for English Language Learners, national World Language exams.
- Larger elementary schools need additional devices to have equity with smaller elementary schools.
- Need to protect Thompson investment by beginning replacement cycle in FY 2017.

# Stratton School Initiative



Stratton is the final step in the Elementary School Rebuild Program committed to voters in 2000

- Working Committee Established (parents, educators, Town officials)
- Definition of Need - Establish "Parity"
- Contracted with DRA for comprehensive feasibility study
- Final report issued August 2014 and presented to joint meeting of Capital Planning Committee and Permanent Town Building Committee

DJ

# Stratton – Existing Conditions



# Stratton School Proposals/Scenarios

SCENARIO SUMMARY		
Scenario # 1	Four summer phases over 10 year period	\$11.6 M
Scenario # 2	Three summer phases over 5 year period	\$10.5 M
Scenario # 3	Three phases over three consecutive summers	\$10.2 M
Scenario # 4	Single phased project	\$10.3 M

- Scenarios do not include relocation costs
- **Scenario #4 (scenario the town elected to pursue) has an estimated duration of 14 months during 2016-2017 (FY 2017) school year**
- Amounts shown do not include student relocation costs
- Town is currently soliciting proposals for OPM and architects

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# Stratton School Funding Plan

Stratton Financing Plan	
SOURCE	
FY 2016 Capital Appropriation for Design/OPM	\$1,085,000
FY 2017 Capital Appropriation for Construction/Student Relocation	\$5,740,940
FY 2017 Capital Appropriation for Additional Classroom Space - Ottoson	\$500,000
Funds from existing Debt Exclusion	\$4,000,000
Funds from Sale of Asset	\$750,000
<b>TOTAL ESTIMATED PROJECT COSTS</b>	<b>\$12,075,940</b>

- Under consideration since 2000 – promised to residents in Rebuild 2000 Debt Exclusion Campaign
- Proposed Funding:
  - Sale of Town asset
  - Non-exempt capital budget, enhanced by CPA funds
  - Use of Rebuild 2000 Debt Exclusion Capacity
- School & Town teamwork
- The proposed project is not eligible for MSBA Funding under the accelerated repair program

# Rescinding Prior Debt Authorizations

Motion: VOTED That the Town hereby rescinds **\$ 18,834,547** in the following individual amounts that have been authorized to be borrowed by the Treasurer, but which are no longer needed for the purposes for which they were initially approved:

Unissued - Remaining	Date of	Warrant Article	MGL Section 44	Original Purpose
\$1,293,000	1/16/2002	2	(c121B,s20)	Urban Renewal
\$177,372	5/19/2004	2	7 or 70B	Dallin School
\$200,000	5/18/2005	35	7(6)	Road Repair
\$145,000	5/21/2007	54	8	Water (MWRA)
\$198,880	5/21/2008	57	7(1) or 8(15)	Sewer (MWRA)
\$200,000	5/21/2008	58	8(5)	Water (MWRA)
\$120,000	6/15/2009	42	7(3A)	Remodeling
\$357,500	6/15/2009	49	7(1) or 8(15)	Sewer
\$1,300,000	6/15/2009	50	8	Water Maint. Fac.
\$157,728	5/10/2010	53	7	Various Purposes
\$101,420	5/24/2010	55	7(1)	Sewer
\$1,300,000	5/24/2010	56	8	Water
\$710,567	11/15/2010	4	7(3A)	Stratton School
\$12,074,000	5/16/2011	5	7(3A) & 70B	Thompson School (\$20MM Auth)
\$530	5/16/2011	57	7(3A), (9), (21), (25), (28), (29)	Various Purposes
\$44,000	5/23/2011	60	8(5)	Various Purposes
\$324,000	5/2/2012	42	7(1) or 8(15)	Sewer
\$550	5/6/2013	33	7(25)	Playground

# Big Issues to Ponder

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- Selling Surplus Town Assets to Fund Renovation of Buildings and Other Similar Capital Assets
- Financing Stratton
- Community Preservation Act Implementation
- AHS Renovation/ New Construction
- Financing Minuteman Renovation/New Construction
- DPW Campus: Renovation and Renewal Planning
- Civic Block Campus Planning

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# Five Year Plan and FinCom Guidelines

Fiscal Year	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Total
Prior Non-Exempt Debt	6,552,287	5,840,389	4,508,096	3,832,234	3,204,224	23,937,230
Cash	\$1,426,356	\$1,460,725	\$1,250,963	\$1,365,277	\$1,517,278	\$7,020,599
New Non-Exempt Debt Service	\$218,600	\$1,008,627	\$1,536,809	\$3,088,824	\$3,789,797	\$9,642,658
Water Sewer Bonds						
<b>Total Non-Exempt Tax Burden</b>	<b>\$8,197,243</b>	<b>\$8,309,741</b>	<b>\$7,295,868</b>	<b>\$8,286,335</b>	<b>\$8,511,299</b>	<b>\$40,600,487</b>
Adjust for Rink Enterprise Funds	(\$83,000)	(\$83,000)	(\$83,000)	(\$83,000)	(\$83,000)	(\$415,000)
Adjust for Ambulance Revolving	(\$51,506)	(\$50,250)	(\$48,956)	(\$47,625)	(\$41,350)	(\$239,687)
Adjust for Roadway Reconstruction O/R 2011	(\$430,756)	(\$441,525)	(\$452,563)	(\$463,877)	(\$475,474)	(\$2,264,196)
Capital Carry Forward	(\$120,000)	(\$125,000)		(\$50,000)	(\$50,000)	(\$345,000)
Antennae Funds	(\$326,000)	(\$200,000)		(\$150,000)	(\$50,000)	(\$726,000)
Urban Renewal Fund - Central School/Jefferson Cutter/23 Maple St	(\$20,962)	(\$62,682)	(\$61,177)	(\$59,493)	(\$57,808)	(\$262,122)
Adjust for Ottoson	(\$436,717)	(\$436,717)				(\$873,434)
Adjust for 2014 Bond Premium	(\$200,160)	(\$200,160)	(\$200,160)	(\$200,160)	(\$200,160)	(\$1,000,800)
<b>Net Non-Exempt Plan</b>	<b>\$6,528,142</b>	<b>\$6,710,407</b>	<b>\$6,450,011</b>	<b>\$7,232,180</b>	<b>\$7,553,507</b>	<b>\$34,474,248</b>
<b>Pro Forma Budget</b>	<b>\$130,569,145</b>	<b>\$133,495,702</b>	<b>\$138,071,171</b>	<b>\$145,081,921</b>	<b>\$151,199,333</b>	<b>\$698,417,272</b>
<b>Budget For Plan at 5%</b>	<b>\$6,528,457</b>	<b>\$6,674,785</b>	<b>\$6,903,559</b>	<b>\$7,254,096</b>	<b>\$7,559,967</b>	<b>\$34,920,864</b>
<b>Plan as % of Revenues</b>	<b>5.00%</b>	<b>5.03%</b>	<b>4.67%</b>	<b>4.98%</b>	<b>5.00%</b>	<b>4.94%</b>
<b>Variance From Budget</b>	<b>\$315</b>	<b>(\$35,622)</b>	<b>\$453,547</b>	<b>\$21,916</b>	<b>\$6,460</b>	<b>\$446,616</b>

# Attachments

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- FY 2016 Capital Budget
- FY 2016 - FY 2020 Capital Plan
- Forecast of New Debt Service

# Recommended Vote

- We are asking you to vote the capital expenditure budget as currently presented.

BOND	\$13,594,350
CASH	\$1,426,356
OTHER	\$3,200,500
Total	\$18,221,206

- FinCom will have opportunity to review detailed written vote and any modifications later in process.

FY 2016	Expenditures
<b>By Funding Source</b>	
Cash	\$1,426,356
Bond	\$13,594,350
Other	\$3,200,500
<b>Total</b>	<b>\$18,221,206</b>
<b>Calculation of Net Appropriation of Article</b>	
FY 2016	Capital and Debt Service
Prior Years Non-exempt Debt Service	
Principal	\$5,235,000
Interest	\$1,317,287
<b>Total Prior Non-exempt Debt Service</b>	<b>\$6,552,287</b>
Plus Enterprise Fund Debt Svc. Appropriation	\$212,625
Plus MWRA Loan Payments	\$1,232,035
Net Prior Non-Exempt Debt Service	\$7,996,947
New Non-exempt Debt Service	\$218,600
Less Antenna Funds	(\$326,000)
Less Ed Burns Rink	(\$83,000)
Less Ambulance Revolving Fund	(\$51,506)
Less Capital Carry Forward	(\$120,000)
Less Urban Renewal	(\$20,962)
Current Year Cash Outlay	\$1,426,356
<b>Total Non-exempt Appropriation</b>	<b>\$9,040,435</b>
Exempt Principal	2,148,000
Total Exempt Interest	487,326
<b>Total Exempt Debt Service</b>	<b>\$2,635,326</b>
Less Enterprise Fund Debt Svc Approp.	(\$212,625)
Less MWRA Loan Payments	(\$1,232,035)
<b>Total Tax Rate Appropriation</b>	<b>\$10,231,101</b>

# Actions Requested of FinCom

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- Vote favorable action on our recommended budget
- Support five year plan
- Support Stratton Funding Plan
- Transfer \$10,000 from perpetual care to Capital Budget
- Support the Treasurer's Debt Recision Article

# Summary

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- We respectfully ask your support of the Capital Planning Committee budget request.

**Thank you**  
**The Capital Planning Committee**